* In order to enable MERC to fulfill its role effectively, various functions listed under Section 22(2) of the Electricity Regulatory Commission's Act, 1998, which include regulation of investment approval and the operation of the power system and issuing of licenses, be entrusted to MERC with immediate effect.

* MSEB to improve the information base so as to provide the MERC with a sufficient basis for embarking on a multi-year regulatory approach.

* MSEB to undertake action to improve its performance to the extent possible (reallocation of employees, reduction of commercial payables, regularization of unauthorized connections).

* Suitable laws to be enacted to give MSEB/Government of Maharashtra powers to penalize the guilty. MSEB to get a study commissioned to determine the energy and peak demand for the next five years.

Any initiative based on the Committee's report is to be taken by the Government of Maharashtra.

Increase in cost due to delay on hydro-electiic projects

†3269. SHRI MANOHAR KANT DHYANI: Will the Minister of POWER be pleased to state:

(a) whether Government have ever given its attention towards the matter of delay of hydro-electiic projects and manifold increase in their proposed costs as a result thereof; and

(b) whether Government are aware of the fact that due to role of some vested interests the cost of Tehri Dam project have touched the figure of Rs. 6000 crores from Rs. 200 crores during the period of 30 years?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) With the object of minimizing cost and time overruns of Hydro-electric Projects, Government has introduced from June, 2001, a policy of 3-stage development of new Central sector Hydro-electric Projects. Under Stage-I, activities leading to formulation of pre-feasibility report for assessment of commercial viability of the Project are envisaged. Stage-II relates to preparation of detailed project report, acquisition of land for project construction area, obtaining of requisite clearances and pre-construction activities including infrastructure. Actual construction of the project is envisaged in Stage-Ill.

†Original notice of the Question was received in Hindi.

(b) In 1972, Tehri Dam Project (600MW) was initially approved as a State Sector Project to be implemented by Government of U.P. at an estimated cost of Rs. 197.92 crores. The capacity of the Project was enhanced to 1000 MW in 1983. However, in view of the resource constraints faced by the State Government and keeping in view the requirement of power in the Northern Region of the country, it was decided in November, 1986 to implement the Tehri Dam Complex comprising (i) Tehri Dam and Hydro Electric Project (HEP) Stage-I (1000 MW), (ii) Koteshwar Dam and Power Project (400 MW) and (iii) Tehri Pump Storage Plan (PSP) (1000 MW) as a joint venture of Government of India and the Government of Uttar Pradesh. These projects are being executed through the Tehri Hydro Development Corporation (THDC).

In March, 1994, approval was accorded to the Tehri Hydro Development Corporation for implementing the Tehri Dam and HEP Stage-I (1000 MW) at an estimated cost of Rs. 3391.40 (March, 1993 Price Level) including IDC of Rs. 427.74 crores. The cost estimates included the committed works of Koteshwar HEP and essential works of Tehri PSP.

The revised cost estimates of the Tehri HEP Stage-I (1000 MW) including essential works of Tehri PSP are Rs. 5690.64 Crores (August 1999 Price Level) including IDC and financial charges. The increase in the cost, apart from normal escalation, has been due to various factors including design changes to ensure safety of the Dam in the context of the seismicity of the region, additional measures for rehabilitation of project affected families based on the recommendations of Hanumantha Rao Committees, availing of specialized consultancy services, foreign exchange variation and variation in statutory duties and levies, etc.

Accident in the NTPC Cooling Tower Project at Vishakhapatnam

3270. SHRI C. RAMACHANDRAIAH: Will the Minister of POWER be pleased to state:

(a) whether any accident took place in the NTPC Cooling Tower Project under construction at Vishakhapatnam during the last week of March, 2001.

(b) if so, the details thereof;

(c) whether any enquiries have been conducted into the causes of the accident and responsibilities fixed therefor;